

**Testimony of
Carlos M. Gutierrez
Secretary of Commerce
Before the
Senate Judiciary Committee
February 28, 2007**

Chairman Leahy, Ranking Member Specter, Members of the Committee, I'm pleased to have this opportunity to discuss immigration reform with you. Thank you for your leadership and hard work on this important issue.

For several years, we have been in the midst of a vigorous debate about the role of immigration in this country. This is not the first time in our nation's history that immigration has been a source of contention in the halls of Congress and communities across America.

One result of this passionate debate is that many words in our immigration discourse have lost their meaning, with people often just talking past each other. However, when you peel back the rhetoric and actually have a conversation with Members on both sides of the aisle and all sides of the issue – as I have on dozens of occasions over the past few weeks – you find that while there are policy differences, we are much closer to common ground.

Secretary Chertoff and I come before you today on behalf of the President with a simple message: we believe that, with some hard work by both Republicans and Democrats, a solution can be found, and we pledge to roll up our sleeves and work with you over the next few weeks and months to find a solution that serves our national interest.

In the spirit of finding a solution, here is a framework that the Administration believes can help guide us toward good legislation that addresses all the essential pieces of reform:

Secure U.S. borders

First, immigration legislation must secure our borders. As Secretary Chertoff will detail in a moment, this Administration has taken dramatic steps in this area, including:

- doubling spending on Border Security,
- deploying the National Guard to the Southern Border,
- initiating the Secure Border Initiative within the Department of Homeland Security,
- ending "Catch and Release" at the border, and
- increasing the number of Border Patrol agents.

These efforts have produced results, and they will continue.

Give employers the tools necessary to verify the immigration status of workers they hire, and hold them accountable to do so

Next, legislation should provide employers with the tools necessary to verify the immigration status of who they hire and hold them accountable to do so.

For decades, under Republican and Democratic presidents, the Federal Government failed to systematically enforce immigration laws at the worksite. Under the President's leadership and with Secretary Chertoff's efforts, this policy has ended.

Last year, the U.S. Immigration and Customs Enforcement (ICE) arrested more than 700 individuals on criminal charges and more than 3,600 on administrative charges. This is seven times the number of arrests completed by the old U.S. Immigration and Naturalization Service (INS) in its last full year of operation.

While the Federal Government is moving forward in the enforcement arena, more can be done to provide businesses with a workable way to verify the legal status of their employees. Tamper-proof biometric identity cards should be established for foreign workers so that employers have no excuse for violating the law.

To effectively deter employers from hiring illegal workers, we must ensure that they face real consequences. Our current civil penalties for employers hiring illegal workers, however, are simply inadequate.

Any employer of reasonable size can write off a small fine as the cost of doing business. I look forward to working with you to establish civil penalties that truly punish egregious violators.

Provide a lawful channel for employment through a temporary worker program

Third, we must establish a lawful channel for employment through a temporary worker program.

A temporary worker program strengthens our national security by providing a legal way for workers to enter the country, allowing our Border Patrol agents and law enforcement personnel to focus their efforts on apprehending dangerous criminals attempting to cross the border – not men and women coming here to work.

A temporary program is just that – temporary. This ensures that the program does not become an opportunity to stay in the United States indefinitely.

A temporary worker program must also serve our economy's need for labor. There is a reality that we must confront: many jobs in this country will not be filled without foreign labor because Americans are unwilling to fill these jobs.

Businesses across the country repeatedly report difficulty filling jobs. There were 4.4 million job openings in December, 2006.

Not only is this an issue right now, but it will increasingly be a problem for us in the future unless we acknowledge and address our economy's need for labor. Let me be

clear on this point: without people to fill the jobs it creates, our economy will not continue its growth.

And this growth has been remarkable. Our economy has added jobs for 41 straight months, more than 7.4 million jobs have been created, and real wages and real after-tax income have both increased for Americans. Since 2001, productivity had strong annual average growth of 3.1 percent.

We know that immigration has been an essential part of this growth: immigrants make up 15 percent of our labor force and account for about half of the labor force growth since 1996. Even with the flux of immigrants, the American labor market remains tight, with the unemployment rate at 4.6 percent.

Immigration contributes to economic growth in three important ways. First, immigrants are grabbing the initial rungs of the economic ladder in this country – taking jobs in agriculture, hospitality, and construction where employers can't find Americans to do them.

Their work in these jobs directly provides Americans with affordable goods and services that sustain our quality of life. We also know that immigrants have a multiplier effect in our economy by supporting American businesses and workers in the supply chain who depend on the affordable goods and services produced by immigrants.

Moreover, immigration supports the social mobility of Americans. Between 1996 and 2004, the number of high school dropout American adult citizens fell by 4.6 million. Americans in general are increasingly attaining a basic level of education – and with that education, moving on to higher-paying jobs.

As Americans rise, the jobs they leave behind are filled by immigrants eager to improve on the standard of living from their home country and pursue their own path of social mobility.

Finally, we know that immigrants are an essential source of the knowledge-based skills that are necessary to compete in the 21st century. In the high-skill fields of computers, mathematics, engineering, architecture, and science, immigrants make up more than 40 percent of the workers with PhDs.

As countries like China, Japan and the United Kingdom face declining populations, the United States can make immigration a competitive advantage to help maintain a vibrant and growing economy. In order for this to happen, however, immigration reform must recognize our economy's need for workers at both ends of the skill spectrum.

Bring illegal workers out of the shadows without amnesty

We must also work together to bring illegal workers out of the shadows without amnesty. Most credible sources estimate about 12 million people are in the United States illegally today. It simply is not in the national interest for a population of this size to remain underground, connected only marginally to mainstream society and beyond the reach of law enforcement.

The President is against amnesty and has suggested several principles to resolve the status of these illegal immigrants, including:

- undergoing a criminal background check;
- paying a meaningful penalty;
- paying taxes;
- requiring them to wait their turn in line;
- learning English; and
- having a job.

But let's be clear: there should be no "special deals" for people who have broken the law. Congress should be clear that if illegal immigrants come out of the shadows, get right and stay right with the law, and pay appropriate penalties, then applying for permanent status is a possibility. But we are not going to reward those who came here or stayed here illegally.

Promote the assimilation of new immigrants

Fifth, we must recognize that the United States is a nation of immigrants, and that over the course of America's history our ability to assimilate new immigrants has been a tremendous national strength. In an era of global competition, this national strength can be an enormous competitive advantage – but assimilation to American ideals and values won't happen on its own. We must harness this national strength by actively promoting the assimilation of new immigrants.

While other countries often struggle to assimilate immigrants, becoming an American citizen has always been more broadly accessible to hard-working people of good character because it is based on fidelity to a core set of principles and personal attachment to this country – not one's race, religion, class or personal connections.

English is the language of custom and opportunity. We do immigrants a great disservice if we enable them not to learn it. In fact, one of the best things that ever happened to me was that I was forced to learn English soon after I arrived in this country.

Assimilation doesn't come easily – it is the result of a deliberate decision to choose America, her language, her customs and to identify with her cause. This doesn't mean new immigrants have to jettison their ethnicity, native language or customs; but it does mean embracing what unifies us as Americans.

There also must be a public and private commitment to assimilate new immigrants. The President has started this effort by appointing the Task Force on New Americans, and we look forward to working with you to find ways to foster the assimilation of new immigrants.

All policies must be workable

Finally, all policies must be workable. We made a mistake in 1986 by not crafting a law that was workable. We should not repeat that mistake.

The only way we will pass good legislation is by working together to craft a solution that both Republicans and Democrats can support and that is worthy of our great tradition as a nation of laws and a nation of immigrants. We believe that these principles provide a path forward. We recognize that there are many tough questions inherent in writing legislation of this scope, and we look forward to the opportunity to work with you to resolve them.

The good news here is that all the pieces necessary for immigration reform are on the table. The question before us is simply this: do we have the political will to assemble them in a way that furthers the national interest?

I believe we do, and I would be pleased to answer your questions.